

THINKS McLEAN

Capital by Senator Sim mons For This Measure

HELPS THE EAST

for the Channel But Me

Lean Thinks There Will

Sir Walter Hotel, Raleigh, Jun

.-Prospects for the enactment the intand Waterway measur-incorporated in the Rivers and proofs bill are most bright in the

Governor A. W. I spoke most highly

**Be Little Difficulty** 

VOL XVI. FINAL EDITION

2,968 Copie

PEAK OF SEASON **OF EARLY SPUDS REACHED HERE** 

Growers Digging on Large Scale in Hope of Market-ing Crop While Prices are at High Levels

BRINGING \$5.50 TODAY

Apprehension Still Felt, However, Over Possible **Disastrous Effect of East**rn Shore Rush

With digging at its peak in Pas with digging at its peak in Pas-quotank County today, growers of early Iriah potatoes were deriving much encouragement from news that the Northern markets were strong—this applying particularly to New York—and that prospects were good. Potatoes were selling in New York from \$6 to \$7.50 to-day, with scool stock readily.



INLAND ROUTE AS CLOUDBURST HIT ILLINOIS CITY





**OUTLINE POLICY IS PRESENTED BY** W. J. DONOVAN

SIX PAGES

THE WEATHER

Partly cloudy with showers to ght. Friday fair and rising tem rature. Centle winds.

NO. 149

Assistant Attorney General Delivered Carefully Prepared and Approved Address at Bankers' Meeting SPEECH IS WARNING

Government Rapidly Feel ing Responsibility to Fol-low Same Policy in Domestic as Foreign Loans

By DAVID LAWRENCE,

with reference to the conduct of business in America on a large scale has come from the Coolidge administration than the speech du-livered by Colonel William J. Donovan, assistant Attorney General before the New York State Bank-

rs' Association at Quebec. The speech has been a long time in preparation. It was fully approved by Attorney General Sargent before being delivered and the general principles con-tained therein have in turn been endorsed by President Coolidge in his talks with the Attorney Gen

In a nutshell, the speech is a warning to the investment bank ers of America not to float securities to the American people based on mergers of businesses which may in themserves be a violation of anti-trust laws or which may mean mulcting the consumer through monopoly control of

Agricultural Hopes Blos-som Anew as Waters De-scend Upon the Thirsty Earth This Week Sie Waters Hotel Balance in the second balanc

Toane. To protect themselves against investigation if not prosecution, companies which wish to merge with each other may have to car-ty their plans to the Department of Justice so that careful examin-ation may be made of the terms of the merger and the conditions under which the securities are to be offered to the investors of the country.

be offered to the investors of the country. This procedure is not reliabed by the Government any more than it is by the business or banking world. But the tendency to make large flotations of securities to the public on mergers that may or may not be basically sound and which some day may themselves be depressed in value because of Government action under the trust laws is giving the administration here considerable concern. As Col-onel Donovan points out, sound and legitimate mergers will suf-fer if there is no distinction made as against unsound and illegal mergers.

Then there is the danger to the Government that a merger once approved will go the public and securities purchased later may be depressed because of fully taunty eco-

be depressed because of failty management or change in so-nomic factors. The administra-tion which happened to approas such a merger would not wish to be held accountable at the polla-for possible loases to individual for a possible loase to individual for a possible the polla-sidered is one which on the pos-hand will not involve any direct approval of domestic loase. Loase submattee thereof and on the oth er hand will not cause big hun-ness or the banking world to been that to go ahead for fear of mi-timate transculton. The Demark nerse or the banking world to he itate to go ahead for fear of -timate prosecution. The Depar ment of Justice may do as the D partment of State does; nama invite the big banking institution before making any big ionas domentic mergers to lay the Ta-before the Washington author ties. The other second second Then

